



## Senate

General Assembly

**File No. 253**

February Session, 2004

Substitute Senate Bill No. 45

*Senate, March 25, 2004*

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

**AN ACT CONCERNING SUPPORTIVE HOUSING SERVICES AND FACILITIES FOR PERSONS WITH MENTAL DISABILITIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2004*) (a) The Commissioners of
- 2 Mental Retardation and Mental Health and Addiction Services shall
- 3 encourage the development of independent living opportunities for
- 4 low and moderate income nonelderly persons with mental disabilities
- 5 by making grants-in-aid, within available resources, to state-wide,
- 6 private, nonprofit housing development corporations which are
- 7 organized and operating for the purpose of expanding independent
- 8 living opportunities for such persons. Such grants-in-aid shall be used
- 9 to facilitate the development of small, noninstitutionalized living units
- 10 for such persons, through programs including, but not limited to,
- 11 preproject development, receipt of federal funds, site acquisition and
- 12 architectural review. For the purposes of this section, "nonelderly
- 13 persons with mental disabilities" means persons sixty-one years of age
- 14 or younger who have been certified by the Social Security Board as

15 being totally disabled under the federal Social Security Act or certified  
16 by any other federal board or agency as being totally disabled.

17 (b) The Commissioner of Mental Health and Addiction Services, in  
18 consultation with the Commissioner of Mental Retardation, shall adopt  
19 regulations, in accordance with the provisions of chapter 54 of the  
20 general statutes, to carry out the purposes of this section.

21 Sec. 2. (*Effective July 1, 2004*) (a) For the purposes described in  
22 subsection (b) of this section, the State Bond Commission shall have  
23 the power, from time to time, to authorize the issuance of bonds of the  
24 state in one or more series and in principal amounts not exceeding in  
25 the aggregate ten million dollars.

26 (b) The proceeds of the sale of said bonds, to the extent of the  
27 amount stated in subsection (a) of this section, shall be used by the  
28 Department of Mental Health and Addiction Services and the  
29 Department of Mental Retardation for the purpose of making grants-  
30 in-aid to state-wide private nonprofit housing development  
31 corporations that are organized and operating for the purpose of  
32 expanding independent living opportunities for nonelderly persons  
33 with mental disabilities.

34 (c) All provisions of section 3-20 of the general statutes, or the  
35 exercise of any right or power granted thereby, which are not  
36 inconsistent with the provisions of this section are hereby adopted and  
37 shall apply to all bonds authorized by the State Bond Commission  
38 pursuant to this section, and temporary notes in anticipation of the  
39 money to be derived from the sale of any such bonds so authorized  
40 may be issued in accordance with said section 3-20 and from time to  
41 time renewed. Such bonds shall mature at such time or times not  
42 exceeding twenty years from their respective dates as may be provided  
43 in or pursuant to the resolution or resolutions of the State Bond  
44 Commission authorizing such bonds. None of said bonds shall be  
45 authorized except upon a finding by the State Bond Commission that  
46 there has been filed with it a request for such authorization which is  
47 signed by or on behalf of the Secretary of the Office of Policy and

48 Management and states such terms and conditions as said commission,  
49 in its discretion, may require. Said bonds issued pursuant to this  
50 section shall be general obligations of the state and the full faith and  
51 credit of the state of Connecticut are pledged for the payment of the  
52 principal of and interest on said bonds as the same become due, and  
53 accordingly and as part of the contract of the state with the holders of  
54 said bonds, appropriation of all amounts necessary for punctual  
55 payment of such principal and interest is hereby made, and the State  
56 Treasurer shall pay such principal and interest as the same become  
57 due.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>July 1, 2004</i>

**CE**      *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Effect
Departments of Mental Health & Addiction Services and Mental Retardation; Office of the Treasurer - Debt Services	See Below

Note: GF=General Fund

**Municipal Impact:** None

#### **Explanation**

The bill authorizes \$10 million in General Obligation (GO) bonds to the Department of Mental Health and Addiction Services (DMHAS) and the Department of Mental Retardation (DMR) to provide grants-in-aid to private nonprofit housing corporations for the purpose of expanding independent living opportunities for nonelderly persons with mental disabilities. The interest cost to bond this amount for twenty years, assuming a 5.0% interest rate, is \$5.3 million (Debt Services).

The bill requires both departments to encourage the development of independent living opportunities by making grant-in-aid, within available resources, to eligible organizations. The magnitude of the demand of the grants and the administrative requirements will impact the responsiveness by both departments to this program. It is unclear if providing one-time grant-in-aid funding to the eligible recipients would lead to an expectation of a future service component and therefore impact the funding commitments for services supported by either department.

**OLR Bill Analysis**

sSB 45

***AN ACT CONCERNING SUPPORTIVE HOUSING SERVICES AND FACILITIES FOR PERSONS WITH MENTAL DISABILITIES*****SUMMARY:**

The bill authorizes up to \$10 million in bonds for the Department of Mental Health and Addiction Services (DMHAS) and the Department of Mental Retardation (DMR) for grants to state private nonprofit housing development corporations that are organized and operate to expand independent living opportunities for nonelderly people with mental disabilities. Both DMHAS' and DMR's commissioners must make the grants available within available resources.

The bill requires the DMHAS' commissioner, in consultation with the DMR's commissioner, to adopt regulations for awarding the grants.

EFFECTIVE DATE: July 1, 2004

**INDEPENDENT LIVING GRANTS**

Nonprofit housing developers must use the grants to develop small, noninstitutional housing units for nonelderly people with mental disabilities. Permissible expenditures include (1) preproject development, (2) securing federal funds, (3) acquiring sites, and (4) architectural review.

***Non Elderly People with Disabilities***

The bill defines "nonelderly people with mental disabilities" as people 61 years old or younger who the Social Security Board or any federal board or agency has certified as totally disabled.

**BACKGROUND*****Community Mental Health Strategic Investment Fund***

A 2001 act established the Community Mental Health Strategic Investment Fund as a source of assistance for clinical and nonclinical

community mental health services, related mental health services, and supportive housing for people with mental illness, including offenders supervised in the community by executive and judicial branch agencies and homeless people and their families. The fund is set up as a nonlapsing account in the General Fund. A strategy board develops strategic and financial plans to guide disbursements from the fund, which is under DMHAS administration.

The act authorized \$10 million in state bonds for supportive housing. The budget included \$40 million in FY 2000-01 surplus funds to establish the fund, providing \$25 million for services and \$15 million for supportive housing (PA 01-8 (JSS) and SA 01-1 (JSS), effective July 1, 2001).

***Related Bill***

HB 5377, reported favorably by the Select Committee on Housing and the Planning and Development Committee, requires the Department of Social Services (DSS) commissioner to implement and administer new rental assistance program (RAP) certificates and support services for nonelderly people with disabilities who are living in, or on the waiting list for, state-assisted elderly housing developments.

The DSS commissioner must seek funds for the cost of new certificates and services, to the extent possible, from federal reimbursement through targeted case management or any Medicaid eligible services.

**COMMITTEE ACTION**

Commerce Committee

Joint Favorable Substitute

Yea 26      Nay 0